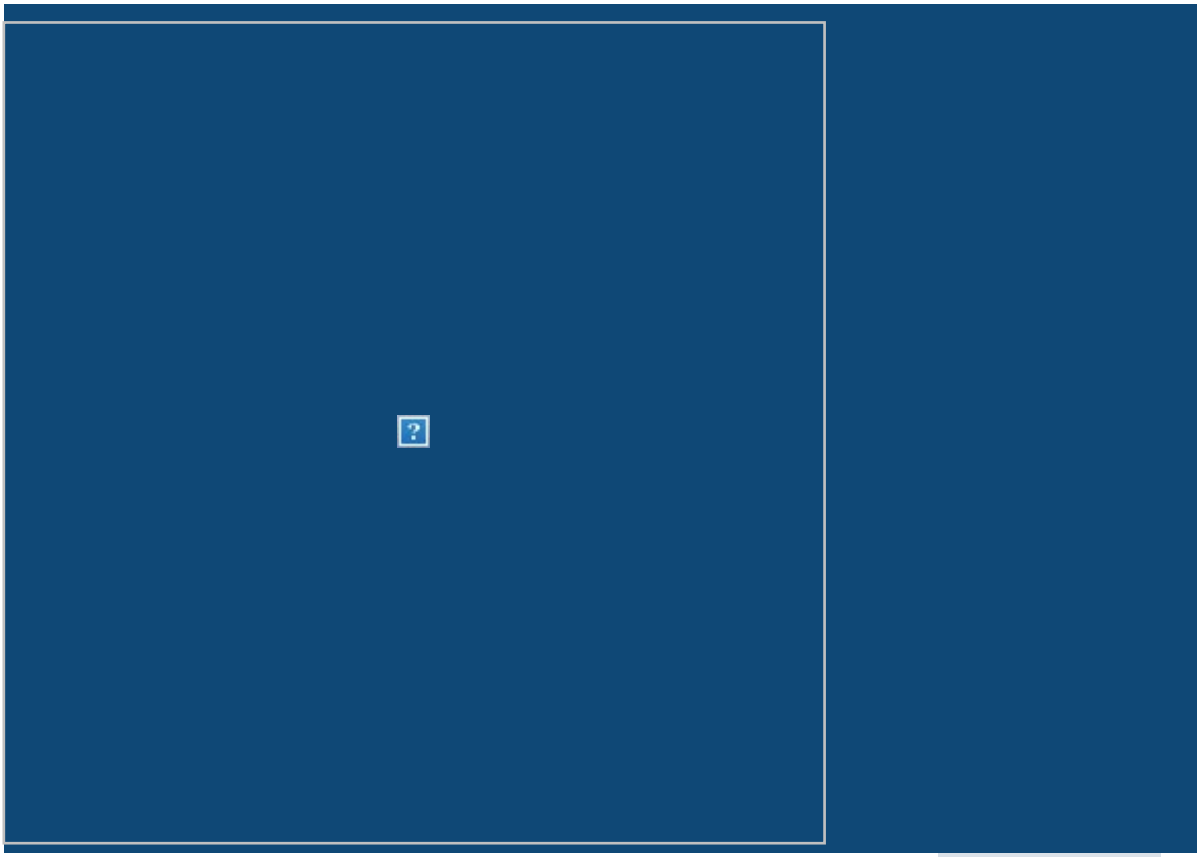
From: Elizabeth Morra
To: Christy Agner
Subject: Weekly Federal Recap for June 12, 2026
Date: Friday, June 12, 2026 11:24:54 AM



June 12, 2026

Weekly Federal Recap

A weekly update on federal legislative topics impacting higher education.

House Appropriators Complete Markups of All Twelve Spending Bills, While Senate Stalls

- This week marked another strong week of progress on FY27 spending bills in the House.
- The House completed full committee markup of the LHHS-Education and Homeland Security bills this week, as well as subcommittee markup of the Department of Defense (DoD) appropriations bill. Full committee markup will occur after the week-long recess in the House next week.
- Two appropriations bills have passed the House floor: Military Construction-VA and Agriculture.
- While this is progress in the House, Senate appropriators have stalled consideration of the annual spending bills over a topline funding dispute between the top

Republican and top Democrat leaders of the panel.
- Democrats are arguing that the $500 billion increase in defense spending the Trump Administration is seeking, should be met with a substantial increase in non-defense spending, which Republicans are resisting.
- A planned markup of three spending bills was canceled last week in the Senate and has yet to be rescheduled over the dispute.

House LHHS-Education Bill Advances for Floor Consideration, Key Amendments Debated and Adopted (Courtesy Politico)

- House Appropriations Committee Republicans advanced a spending bill to fund the Education Department at $70.7 billion in a marathon markup late Tuesday night.
- The bill, which cleared the panel in a 34-28 vote just shy of midnight, cuts federal education funds by $8 billion, with Tuesday's vote setting up the legislation for consideration on the House floor.
- The bill also funds the Department of Health and Human Services (HHS). The committee proposed to cut HHS 4% but increased National Institutes of Health (**NIH)** $100 million.
- Lawmakers had a wide-ranging debate on how to fund federal education programs, including several amendments to the legislation. Early on, the committee approved a slate of provisions in the manager's amendment, hitting back at initiatives by the Trump administration.
- The amendment, which included provisions from both parties and was adopted by voice vote, would block a controversial provision from the department's final rule on **student loan limits** that restricts advanced nursing programs from higher loan limits by not classifying them as professional degrees.
- It also included language prohibiting the department from altering the "fundamental purpose" of the federal **TRIO** program, which supports college preparation for disadvantaged students, after the agency issued grant competitions that would steer dollars toward workforce development efforts.
- The **Pell Grant,** which helps over six million students pay for college, is one such program that Republicans are trying to preserve in the spending bill.
- The bill includes $22.7 billion for the Pell Grant, a $250 million increase above FY26. It additionally provides a $50 bump to the maximum Pell Grant award, bringing it to $7,445.
- But the program also faces a multibillion-dollar shortfall — a number projected to hit $15 billion. The bill addresses this deficit by eliminating subsidized student loans, which limit lower-to middle-income undergraduate students from accruing interest while in school and provide a grace period when they graduate.
- The bill redirects the savings from eliminating those loans — roughly $16 billion — toward Pell.
- An amendment passed with bipartisan support Tuesday includes a committee expression of concern over delays in announcing the availability of **National Institutes of Health grants**, noting that the amount available for such grants is down nearly 50% in FY26 compared with FY24.

Top Appropriations Committee Democrat Takes on New OMB Regulation Impacting Federal Grants (Courtesy Politico and other sources)

- During the LHHS-Education full committee markup this week, the Committee's Ranking Member Rosa DeLauro (D-Conn) proposed an amendment to block the Office of Management and Budget from issuing or implementing a final rule based on its proposed regulation to prevent federal funds from being spent on diversity, equity and inclusion efforts or so-called woke initiatives. But it failed by a 29-32 vote.

The wide-ranging proposal from the Trump administration would apply across federal agencies, including the Education Department.
- The regulation would give final say over grant awards to political appointees.
- DeLauro also offered the amendment during the full committee markup this week of the Homeland Security appropriations bill, but it also failed to pass.

Additional Highlights of House LHHS-Education Appropriations bill (Note: Numbers are preliminary; Senate has not marked up any spending bills to date)

- Pell Grants funded at $22.7 billion, +$250 million over FY26, slight increase for max Pell from $7,395 to $7,445. Subsidized loans terminated to pay for Pell shortfall.
- FSEOG funding is $546 million, a $364 million cut (President proposed to terminate).
- FWS funding is $908 million, $322 million below FY26 (President proposed to terminate).
- TRIO and GEAR UP both received a $6 million increase, plus language urging admin to follow congressional intent and get NOFOs out sooner.
- NASNTIs (University of North Carolina Pembroke) are funded at $12.6 million, a $1 million increase.
- HBCUs funded at $406.7 million, a $1 million increase.
- Childcare Access Means Parents in School (CCAMPIS) – is level funded at $75 million.
- Postsecondary Student Success Grants (PSSG) funded at $45 million.
- Basic Needs Grants took a 50% cut – from $10 million in FY26 to $5 million for FY27.
- IES is funded at $493.4 million, down from $789.6 million in FY26.
- Augustus Hawkins Center for Excellence is level funded at $15 million.
- Workforce Development and AI Innovation grants are funded at $15 million.
- Teacher Quality Partnerships – terminated.
- Graduate Assistance in Areas of National Need – terminated.
- NIH receives a $100 million increase over FY26.

House Appropriators Set Up Test of Trump Defense Budget (Courtesy Politico)

- Republicans on the House Appropriations Committee released their draft Pentagon funding bill on Wednesday, the day before a closed subcommittee markup, setting up an early test of President Donald Trump's lofty defense aims.
- House appropriators made history by producing a bill that crosses the $1 trillion mark, a down payment on the president's record $1.5 trillion budget request.
- Top Democrats quickly signaled their opposition, arguing Republicans are empowering Trump and Defense Secretary Pete Hegseth amid the Iran war.
- The House FY27 Defense bill sets topline spending at $1.072 trillion. This is aligned with the Administration's request when coupled with $350 billion pursued through a third reconciliation package.
- However, recent reporting indicates growing skepticism from Congress on the possibility of a third reconciliation.
- The majority of funding details of interest will be available when the report is released. For now, the following funding levels are shared in the bill text and summary.

Senate Sets Aggressive Timeline for College Sports Bill (Courtesy Politico)

- Senate Commerce Committee Chair Ted Cruz (R-TX) is bullish on advancing his bill that would regulate college athletics, undeterred by pushback from House GOP leaders.

- In an interview Tuesday, the Texas Republican laid out an aggressive timeline for trying to advance the bipartisan legislation he has co-authored with Commerce ranking member Maria Cantwell of Washington, going so far as to suggest it could become law by the start of the next academic year.
- “The only path to actually passing legislation, I believe, is this bill,” Cruz said, adding, “I'm hoping on this, we can say, ‘let's put aside our red shirt or blue shirt and come together and say, this is worth saving.’”
- Cruz also said he would announce a markup “shortly,” and said Senate Majority Leader John Thune has committed to put the bill on the floor “if we get it out of committee with meaningful bipartisan support.”
- Cruz and Cantwell’s package — which would, among other things, create uniform standards for how college athletes are compensated across a multibillion-dollar industry — got a major boost last week when President Donald Trump endorsed it on social media and called on Congress to send him legislation to sign this summer.
- But Cruz’s optimism could run up against reality quickly.
- To begin with, there are limited legislative days left before Congress departs for August recess. But above all else, despite Trump’s backing, House Republicans have by and large refused to sign onto the Senate’s product — despite the fact that their own bill appears largely dead.
- House Majority Leader Steve Scalise warned in an interview last week the House had “big problems” with the Senate’s proposal.
- It’s much broader than the bill House Republican leaders hoped to advance a few weeks ago, but it remains silent on the question of whether college athletes should be treated as employees — a major issue for some conservatives who don’t believe student athletes should be considered as such.

Administration Proposes to Cap Number of NIH Research Grants (Courtesy APLU)

- This week, the Administration proposed a new regulation to cap the number of simultaneous research project grants per principal investigator.
- See NIH’s RFI: Proposal to Cap the Number of Simultaneous Research Project Grants per Principal Investigator to Support More Researchers and Maximize Scientific Productivity and Innovation (NOT-OD-26-086).
- “To ensure the best use of the taxpayers' dollars in supporting biomedical research, the NIH is considering instituting a cap on the number of RPGs on which an individual could simultaneously be a PI or MPI.”
- Responses are due August 3, 2026.
- The NIH is requesting information on the following:
    - Pros and/or cons of the policy
    - The optimal number of Research Project Grants for the cap (2, 3 or 4)
    - Strengths and weaknesses of the proposed implementation strategies
    - Possible unintended consequences or policy loopholes

Administration Releases Redline on Accreditation Negotiated Rulemaking (Courtesy APLU)

- The Department of Education released the final redline version of the AIM negotiated rulemaking committee agreement on accreditation.
- The next step is an NPRM this summer, for a final rule to be published by November 1, to go into effect July 1, 2027.

No Aid for Ghost Students Act Passes House (Courtesy Politico)

- House lawmakers this week passed legislation that intends to tackle fraud in student aid applications.

- H.R. 7892, the No Aid for Ghost Students Act, zeroes in on so-called ghost students, fraudsters who apply and cash in on college and student aid using fake or stolen identities.
- The legislation requires the department to use an identity fraud detection system to assess each FAFSA application, let applicants know if their form is flagged as suspicious and verify the applicant's identity before giving aid.
- No timing as of yet for Senate consideration.

Upcoming Events of Interest

*Only the Senate will be in session next week; the House will stand in recess.

6/16/26 02:00 PM EST
Hearing: Senate Health, Education, Labor and Pensions Committee
The Senate Health, Education, Labor and Pensions Education and the American Family Subcommittee holds a hearing on "The Future of K-12 Education in the Age of Artificial Intelligence."

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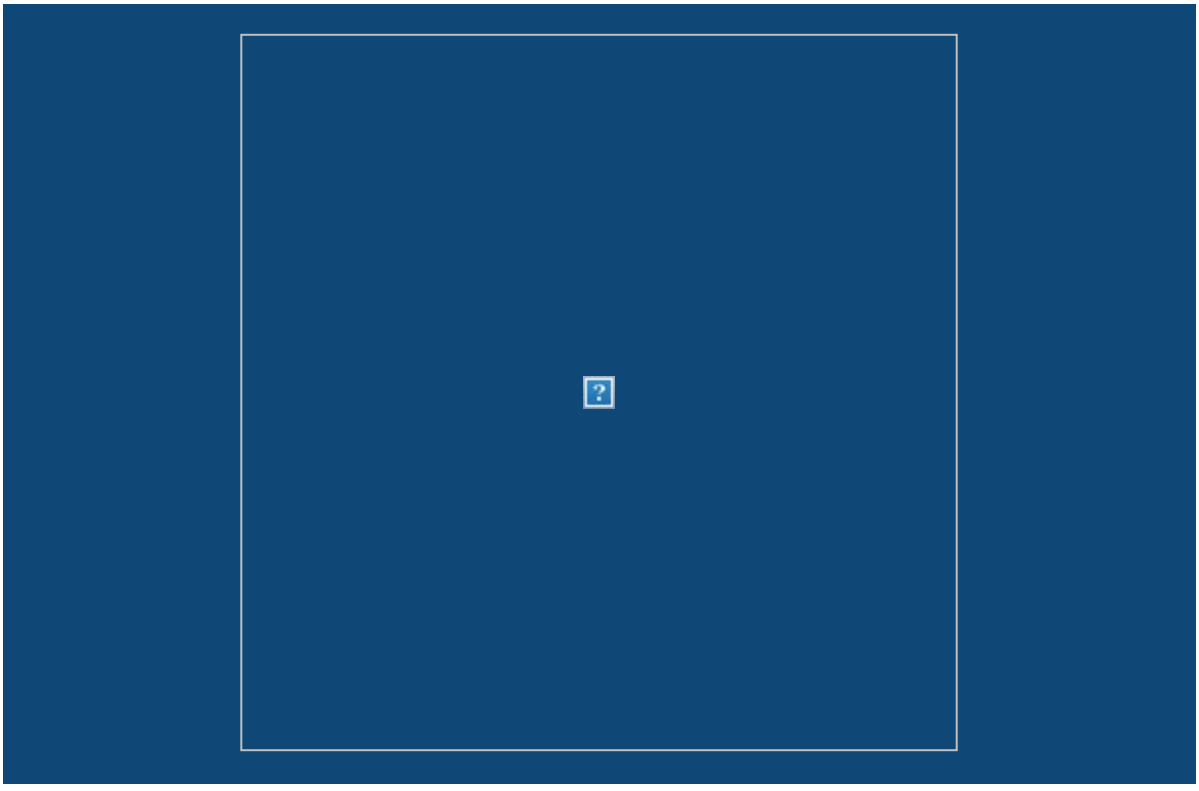

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